(d) Yes, Sir.

(e) The Government of Pakistan has not responded.

Modernisation of defence production units

1404. SHRISURESH PACHOURI: Will the Minister of DEFENCE be pleased to state:

(a) whether Government propose to invite Foreign Direct Investment in defence production sector;

(b) if so, reasons therefor; and

(c) how does Government propose to modernise the defence production units in the country?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) and (b) Taking into account *inter alia* the capital intensive nature of Defence Industry, the substantial annual outgo of funds on defence imports, the need to modernize the sector and bring in state-of-the -art technologies, in May, 2001, the Government decided to open Defence Industry for Indian private sector upto 100%, with Foreign Direct Investment (FDI) permissible upto 26%, with subject to licensing.

(c) In case of Defence Production Units, modernisation is taken up on a regular basis keeping in view the futuristic requirements of Armed Forces.

Land for expansion and developmental programmes

1405. SHRI P. PRABHAKAR REDDY: Will the Minister of DEFENCE be pleased to state:

(a) whether the Government of Maharashtra has asked the Mazagon Dock Ltd., to return the land which was earlier given to it for expansion and developmental programme;

(b) if so, the details thereof and reasons therefor;

(c) whether Government have taken up the issue with the State Government and persuade it to review its stand;

(d) if so, the details thereof and reaction of the Maharashtra Government thereto; and

(e) if not, the reasons therefor?